

From: Leslie A Peralta
Subject: Disputes on Credit Cards

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Proposal: Notice of Study and Request for
Information - Fair and Accurate Credit Transactions of 2003 (FACT Act)
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Comments:

@@@In furtherance to my e-mail submitted in late August, I hereby submit my comments on the FRB's Notice of Study and Request for Information under the FACT Act of 2003. As I have so seldom ever had a problem with TransUnion and Equifax, which have always been promptly, competently and courteously handled by both agencies, I submit this strong complaint specifically against Experian, a repeat offender under the FCRA. Though problems with Experian go back well beyond two years, I will articulate the latest (2002 to the present) glaring violations of the FCRA by this CRA.

In June and September 2002, Experian allowed unlawful access to my credit file by an out-of-state individual who fraudulently posed as a "debit card merchant". When I discovered this, I contacted the FTC, whose representative advised me that I had cause to take legal action against this person AND Experian for allowing such unlawful access, given that this was NOT a permissible purpose for obtaining my credit file.

Since that time, Experian has again, on at least one other occasion, allowed unlawful access to my credit file by entities I have never even heard of. I was so stunned to discover one of these that I immediately telephoned 411 to obtain the telephone number of the company Experian listed as obtaining my report under a "permissible purpose", as they routinely categorize such mysterious, unauthorized and therefore entirely illegal inquiries. The 411 operator informed me that no such company even existed, not in San Francisco, as indicated by Experian, nor in any city in the Bay Area. Though I complained in writing to Experian (its CEO, no less), this complaint was ignored and the illegal inquiry, which lowers my score, remains. How dare Experian so blatantly violate a consumer's rights under the FCRA by allowing such illegal access to a private credit file. As I informed Experian's CEO in writing, amongst unscrupulous individuals and businesses*, word has obviously gotten

out that Experian is the one way in if you want illegal access to someone's private credit file.

In February of this year, I was denied a small business loan, even though I have perfect credit, due to Experian's illegal (under the FCRA seven-year statute) reporting of a nine-year old charged off account, which I had previously sustained due to a devastating job loss in 1994. I immediately threatened legal action against the reporting party and Experian. The reporting party immediately sent me a letter of apology, acknowledging the error, and advised that it was demanding Experian investigate. Though Experian removed the item, it failed and refused to ever explain how the outdated information got there. In a display of even further outrageous incompetence by Experian, upon being notified I had been denied the loan, I immediately attempted to retrieve my report on-line from Experian, only to get so far in the process and have Experian reply with a dialog box that "for reasons" they could "not disclose online", it was necessary that I apply in writing. I refused to wait

for my report and contacted the SBA's SBDC Officer who had assisted me with the loan. This counselor (an outstanding assistant to small business owners) advised me that if I came to his office, we could pull the report there. I immediately did so, again, as a result of Experian's failure and/or refusal to provide my report to me on-line, even though I was denied the business loan due to their illegal reporting of a former account. Subsequently, they listed on my credit report that this was an inquiry for a "real estate purpose" when in fact it was me checking on my own account because they refused to provide it online!

Illegal and erroneous inquiries reduce credit scores -- this is a fact, and this comment ("excessive inquiries") has appeared EVERY time I have refinanced my property, though I have NOT in fact authorized "excessive inquiries"!

In the years prior to 2002, I never once experienced anything remotely resembling cooperation from Experian's employees. Indeed, all Experian employees I have ever dealt with have been exceedingly rude, obnoxious, uncooperative, speak/yell over consumers, etc. It is as though there is some sort of "play book" at Experian that trains its employees to immediately, upon receipt of a live dispute by a consumer, argue, talk over the consumer, berate the consumer, and lastly hang up on the consumer. This is outrageous and unacceptable, and ONLY Experian engages in this type of conduct.

Again, all of the above has been forwarded in writing to Experian's CEO, who promptly ignored the communications and took no action. In fact, the last response I received from Experian stated that it was "unable to process [your] request"; in other words, my communication, on the one hand, is acknowledged; then, in the following sentence, Experian states that if I, the consumer, believe an error exists, to notify them in writing. What, pray tell, do they think the "request" they have already acknowledged, was? I am hard pressed to determine if their response is glaring incompetence, mental laziness, sarcasm, arrogance, indifference, etc., or any combination of the above. The horrific fact of life, however, is that these people are reporting on 300M+ Americans every day; such outrageous incompetence is entirely unacceptable.

I am in possession of documentation proving each and every violation indicated above by Experian and would be happy to provide same, if requested.

I will be closely watching developments in this matter, which is of extreme importance to all consumers. As a consumer, a taxpayer and a private citizen, I sincerely appreciate the Federal Reserve's solicitation of the public's input on this critical economic issue.

Thank you.

Respectfully,

